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INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 5327
RUEHLM/AMEMBASSY COLOMBO PRIORITY 5611
RUEHKA/AMEMBASSY DHAKA PRIORITY 0801
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3620
RUEHLO/AMEMBASSY LONDON PRIORITY 4956
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 0926
RUEHCI/AMCONSUL KOLKATA PRIORITY 3089
RUEKJCS/SECDEF WASHDC PRIORITY
RUCNDT/USMISSION USUN NEW YORK PRIORITY 2387
RHEFDIA/DIA WASHDC PRIORITY
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RUEAIIA/CIA WASHDC PRIORITY
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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000266

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TAGS: [PGOV](#) [PREL](#) [PTER](#) [IN](#) [NP](#)

SUBJECT: NEPAL: INDIAN DCM CONCERNED ABOUT TERAJ UNREST

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Summary

1. (C) In a February 1 meeting with the DCM, Indian DCM Dr. Kheya Bhattacharya said that she was dismayed by the current unrest in the Terai, adding that she thought the Prime Minister had missed an "historic opportunity" to solve the problem with his January 31 speech to the nation by speaking only in generalities. The Government of India (GOI) had been pushing, both in Nepal and in India, for the Government of Nepal (GON) to actively engage with the protesting groups in the Terai to solve the current problems. Bhattacharya stressed that the problem was a Nepali problem and that India played no role in the unrest, nor would it play a role in the solution. The Indian Consulate General in Birgunj had raised its alert level, and had made contingency evacuation plans. Bhattacharya shared a video with the DCM of the recent protests in Nepalgunj; the video underscored the level of tension between the Madhesi (people of Terai origin) and the Pahadi (people of hill origin) in the Terai, and the role the police had played in fanning the flames of violence against the Madhesi during the protests.

PM Missed an Historic Opportunity to Solve a Problem

2. (C) On February 1, Indian DCM Dr. Kheya Bhattacharya told the DCM that she was dismayed by the current unrest in the Terai generated by Madhesi rights groups. She stated that the Prime Minister had missed an "historic opportunity" to solve the problem with his speech on January 31, which she said had not offered any specific solutions. Bhattacharya said that the GOI had urged the GON, both in New Delhi and in Kathmandu, to enter into dialogue with the protestors and find a solution to the problem. She said that the politicians in the main political parties who were also from the Terai needed to travel to their home districts and help solve the problem, but were afraid to do so for fear of violence. Bhattacharya made it clear that the Madhesi had legitimate political concerns and the GOI believed that an effective dialogue was the only way to solve the problem.

This is a Nepali Problem, Not an Indian Problem

¶3. (C) Bhattacharya made it abundantly clear that this was a Nepali problem, and not an Indian one. She said the GOI had tried to close down the border as much as possible in the Terai region; that said, the border between Nepal and India was long and porous and closing it down completely was nearly impossible. The situation in Birgunj (a main border entry point in south-central Nepal) was deteriorating daily. The Indian Consulate in Birgunj had raised its threat level and was making contingency evacuation plans for the safety of its employees. Bhattacharya stressed that the GOI would not be drawn into the fray in the Terai.

Nepalgunj Incident Indicative of Current Tensions

¶4. (C) Bhattacharya showed the DCM a video of the violent protests in Nepalgunj on December 26, 2006. In the video, police were clearly seen taking the side of the Pahadi protestors, helping point out Madhesi businesses and assisting in the destruction and burning of those businesses. (Note: The police forces have few Madhesis in their ranks; most police officers are Pahadis. End note.)

Maoists and Royalists Taking Advantage

¶5. (C) According to the Indian DCM, the Maoists have been cynically taking advantage of the situation, encouraging the GON not to engage in dialogue with the Madhesis, hoping to eradicate the splinter Janatantrik Terai Mukti Morcha. Maoist Supremo Prachanda, in a press conference on February 1, said that the PM's speech was not enough, and that the Maoists had always been concerned about the rights of the

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Madhesis and intended to help solve the problem. Bhattacharya stated that royalists were clearly using the protests for their own means as well.

Comment

¶6. (C) The Indian DCM's concern mirrors our own about the situation in the Terai. Post has also been pressing the GON to engage in effective dialogue with the Madhesi protestors in order to resolve the situation. Bhattacharya was right; by not defining a concrete way forward, the PM's speech has done little to diminish the protests in the Terai. Bhattacharya stated that she believed the protests would last for another week or so, and probably culminate in a written agreement between the protestors and the GON. This will require the GON to take a substantial step toward a meaningful dialogue, on which we will press the GON to move forward quickly. The GOI realizes it is in a delicate position with respect to the problems in the Terai; New Delhi clearly has sympathy for the Madhesis and their legitimate grievances, but the GOI understands that if it goes too far, India will be accused of encouraging separatism.

MORIARTY